

EXHIBIT 2

Application of U.S. Patent No. 7,100,866 to Hover Star (“Accused Product”)

* The term “Accused Product” refers to Amax’s and Costco’s Hover Star product, as well as all other products made, used, sold, offered for sale, distributed and/or imported by Amax and/or Costco (as defined in the Complaint) or one of their subsidiaries, that have the features shown in this chart, or substantially similar features.

** This claim chart is meant to be illustrative for purposes of meeting Plaintiff’s pleading obligations and should not be construed as limiting or binding.

Prior Claim Constructions

The following claim constructions were previously adopted by the United States District Court for the Northern District of Illinois in *Rehco, LLC v. Spin Master Ltd.*, No. 1:13-cv-02245 (ECF 125, ECF 256, ECF 287, p. 37). These constructions are used herein.

Term	Construction
“means for propelling in a vertical direction”	Function: propelling in a vertical direction Structure: a single rotor assembly, a single rotor assembly and a separate counter-torque assembly, or a counter-rotating assembly, and equivalents thereof
“a signal”	“one or more signals”
“first means to set the speed for the propelling means to a first speed when the receiver receives the bounced signal”	Function: to set the speed of the propelling means to a first speed when the receiver receives the bounced signal Structure: circuit board 136 programmed to set the speed of the propelling means to a first speed when the receiver receives the bounced signal or equivalents thereof
“second means to set the speed of the propelling means to a second speed when the receiver does not receive the bounced signal”	Function: to set the speed of the propelling means to a second speed when the receiver does not receive the bounced signal Structure: circuit board 136 programmed to set the speed of the propelling means to a second speed when the receiver does not receive the bounced signal or equivalents thereof
“predefined”	“programmed on circuit board 136 in advance of operation of the vehicle”

Application of U.S. Patent No. 7,100,866 to the Accused ProductClaim 1

1. A vehicle having a means for propelling in a vertical direction, further comprising:

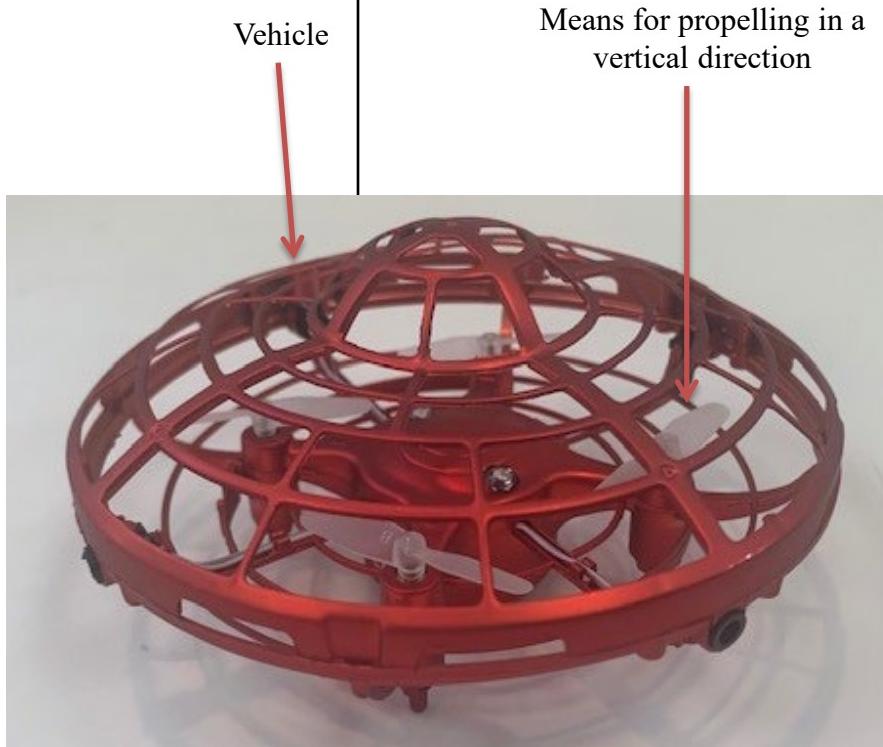


Exhibit A, Hover Star product pictures.



Application of U.S. Patent No. 7,100,866 to the Accused ProductClaim 1

a transmitter positioned on the bottom of said vehicle for transmitting a signal from the vehicle downwardly away from said vehicle;

The Accused Product includes a transmitter positioned on the bottom of the vehicle for transmitting a signal from the vehicle downwardly away from the vehicle.

Transmitter

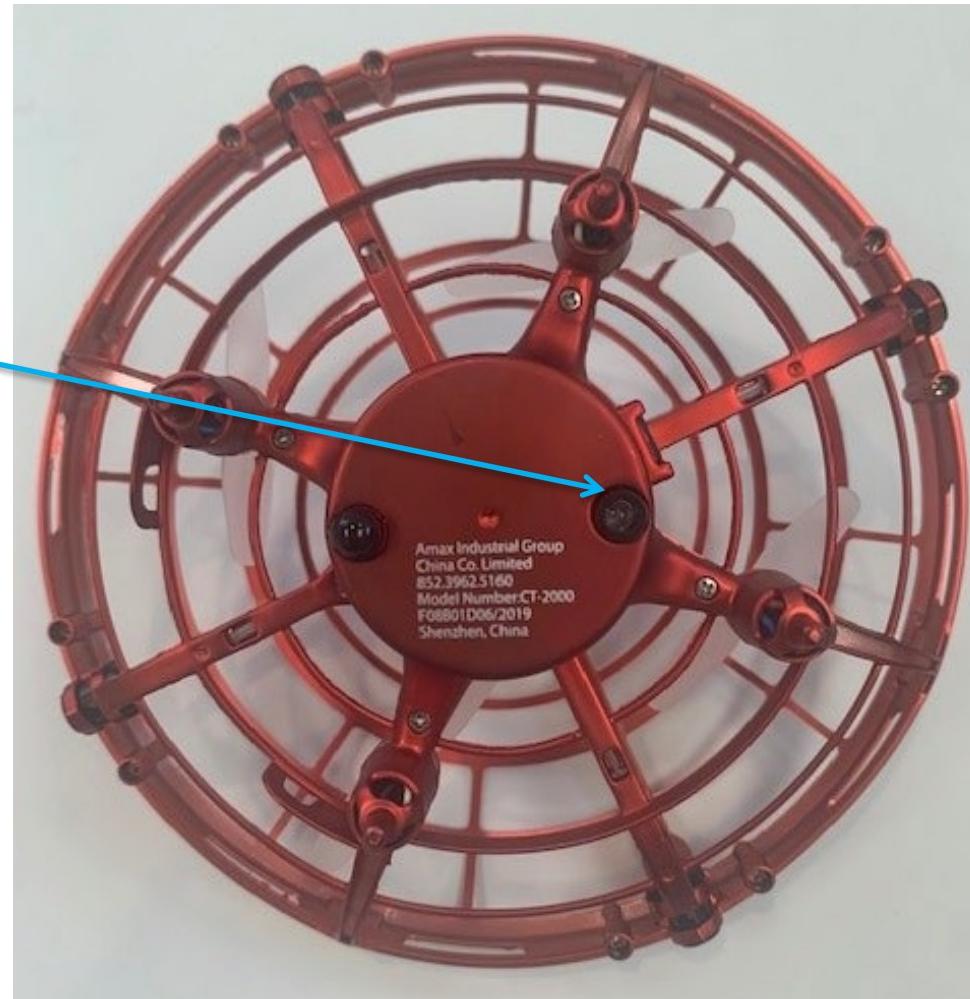


Exhibit A, Hover Star product pictures.

Application of U.S. Patent No. 7,100,866 to the Accused ProductClaim 1

a receiver positioned on the bottom of said vehicle for receiving said signal as it is bounced off of a surface, defined as a bounced signal; and

Receiver

The Accused Product includes a receiver positioned on the bottom of the vehicle for receiving the signal as it is bounced off of a surface. This is defined as the bounced signal.

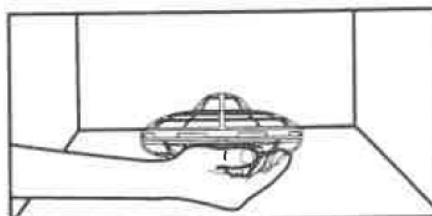
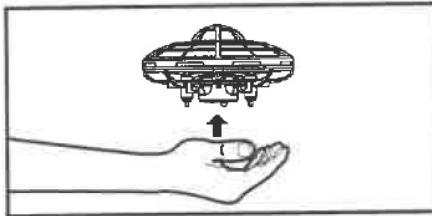
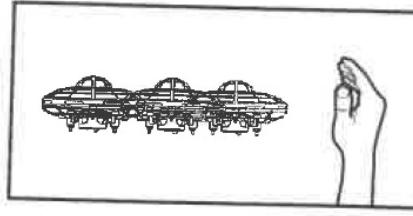
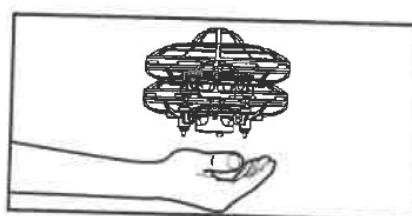


Exhibit A, Hover Star product pictures.

Application of U.S. Patent No. 7,100,866 to the Accused Product

<u>Claim 1 (cont'd)</u>	
<p>a control system that automatically sets a speed of the propelling means in response to the receiver,</p>	<p>The Accused Product includes a control system that automatically sets a speed of the propelling means in response to the receiver.</p> <div style="display: flex; justify-content: space-around;"> <div data-bbox="528 309 969 525"> </div> <div data-bbox="1008 309 1430 525"> </div> </div> <p>5. Hold the HOVER STAR™ in the mid-air and then quickly remove your hand. The HOVER STAR™ will automatically launch and start hovering.</p> <p>6. After hovering a period of time, your HOVER STAR™ will automatically start descending. Place your hand at the bottom of the HOVER STAR™ and it will start ascending again.</p> <p>HAND MOTION CONTROL Your HOVER STAR™ is equipped with motion sensor which enable its ability for you and your friends to create lots of fun playing together.</p> <div style="display: flex; justify-content: space-around;"> <div data-bbox="547 813 950 1015"> </div> <div data-bbox="1008 813 1411 1015"> </div> </div> <p>1. Place your hand at the side of the HOVER STAR™, it will automatically fly away.</p> <p>2. Place your hand at the bottom of the HOVER STAR™, it will automatically ascend.</p> <p>Exhibit B, Hover Star User Manual, pp. 4-5. See also "The Original Hover Star motion controlled UFO" video, available at https://www.youtube.com/watch?v=gWVvZXTQ5nY.</p>

Application of U.S. Patent No. 7,100,866 to the Accused Product

<u>Claim 1 (cont'd)</u>	
<p>said control system having a first means to set the speed of the propelling means to a first speed when the receiver receives the bounced signal and the control system having a second means to set the speed of the propelling means to a second speed when the receiver does not receive the bounced signal, the first speed being predefined as a speed that causes the vehicle to gain altitude and the second speed being predefined as a speed that causes the vehicle to lose altitude.</p>	<p>On information and belief, the circuit board in the Accused Product is programmed to set the speed of the rotor(s) to a first speed when the receiver receives the bounced signal. On information and belief, the circuit board is programmed to set the speed of the rotor(s) to a second speed when the receiver does not receive the bounced signal. The first speed is a predefined speed that causes the Accused Product to gain altitude. The second speed is a predefined speed that causes the Accused Product to lose altitude.</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>5. Hold the HOVER STAR™ in the mid-air and then quickly remove your hand. The HOVER STAR™ will automatically launch and start hovering.</p> </div> <div style="text-align: center;">  <p>6. After hovering a period of time, your HOVER STAR™ will automatically start descending. Place your hand at the bottom of the HOVER STAR™ and it will start ascending again.</p> </div> </div> <p>HAND MOTION CONTROL Your HOVER STAR™ is equipped with motion sensor which enable its ability for you and your friends to create lots of fun playing together.</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>1. Place your hand at the side of the HOVER STAR™, it will automatically fly away.</p> </div> <div style="text-align: center;">  <p>2. Place your hand at the bottom of the HOVER STAR™, it will automatically ascend.</p> </div> </div> <p>Exhibit B, Hover Star User Manual, pp. 4-5. See also "The Original Hover Star motion controlled UFO" video, available at https://www.youtube.com/watch?v=gWVvZXTQ5nY.</p>

Application of U.S. Patent No. 7,100,866 to the Accused ProductClaim 2

2. The vehicle of claim 1, wherein the receiver is positioned such that the receiver is blind to the signal transmitted from the transmitter and is only capable of receiving said bounced signal.

Receiver

The receiver in the Accused Product is positioned such that it is blind to the signal transmitted from the transmitter and is only capable of receiving the bounced signal.



Exhibit A, Hover Star product pictures.

Application of U.S. Patent No. 7,100,866 to the Accused ProductClaim 3

3. The vehicle of claim 2, wherein the transmitter is recessed in a tube.

The transmitter in the Accused Product is recessed in a tube.

Transmitter

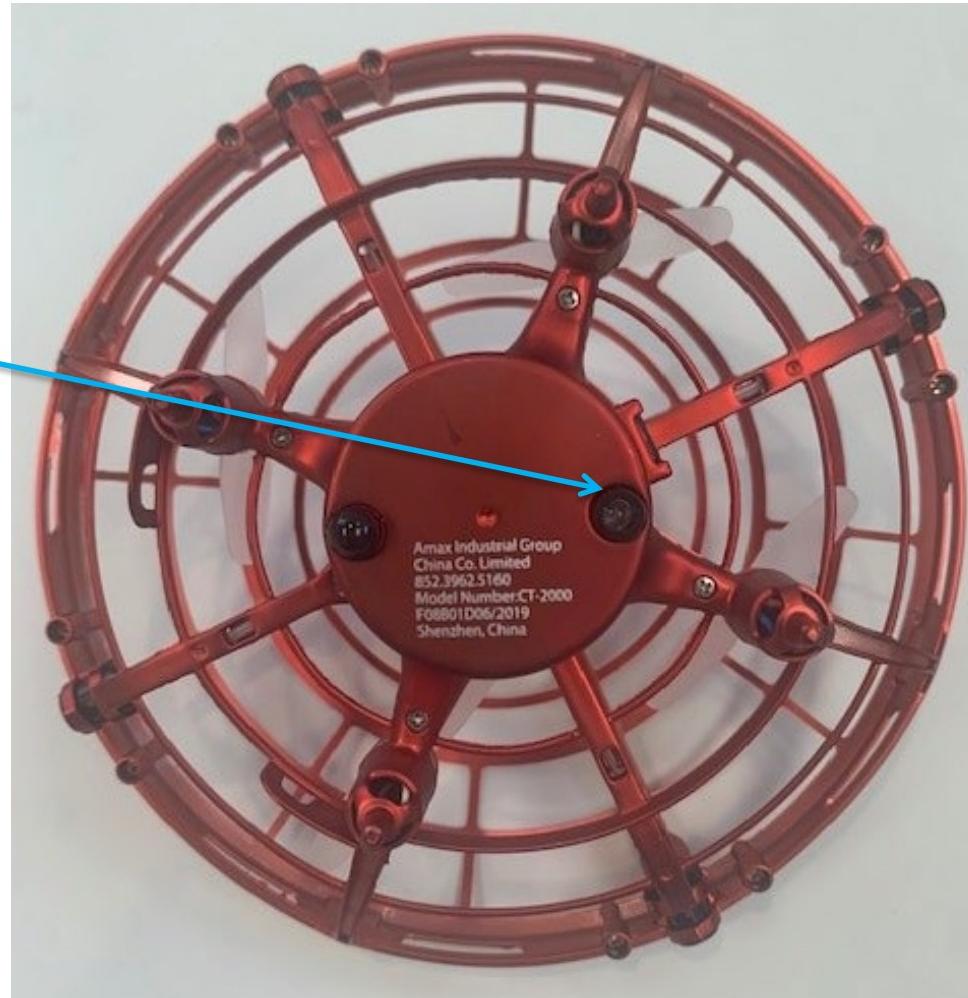


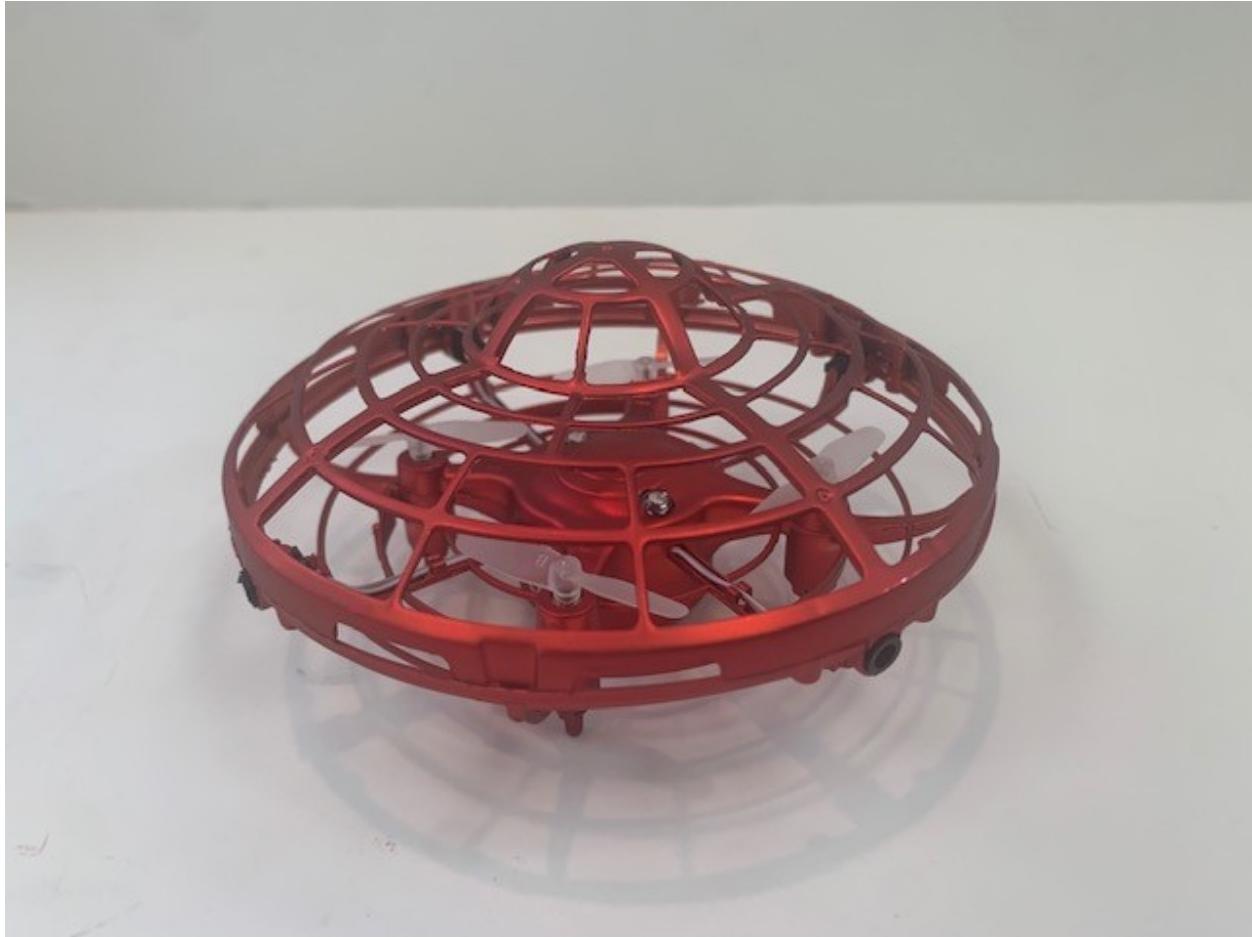
Exhibit A, Hover Star product pictures.

EXHIBIT A

Hover Star Product Pictures



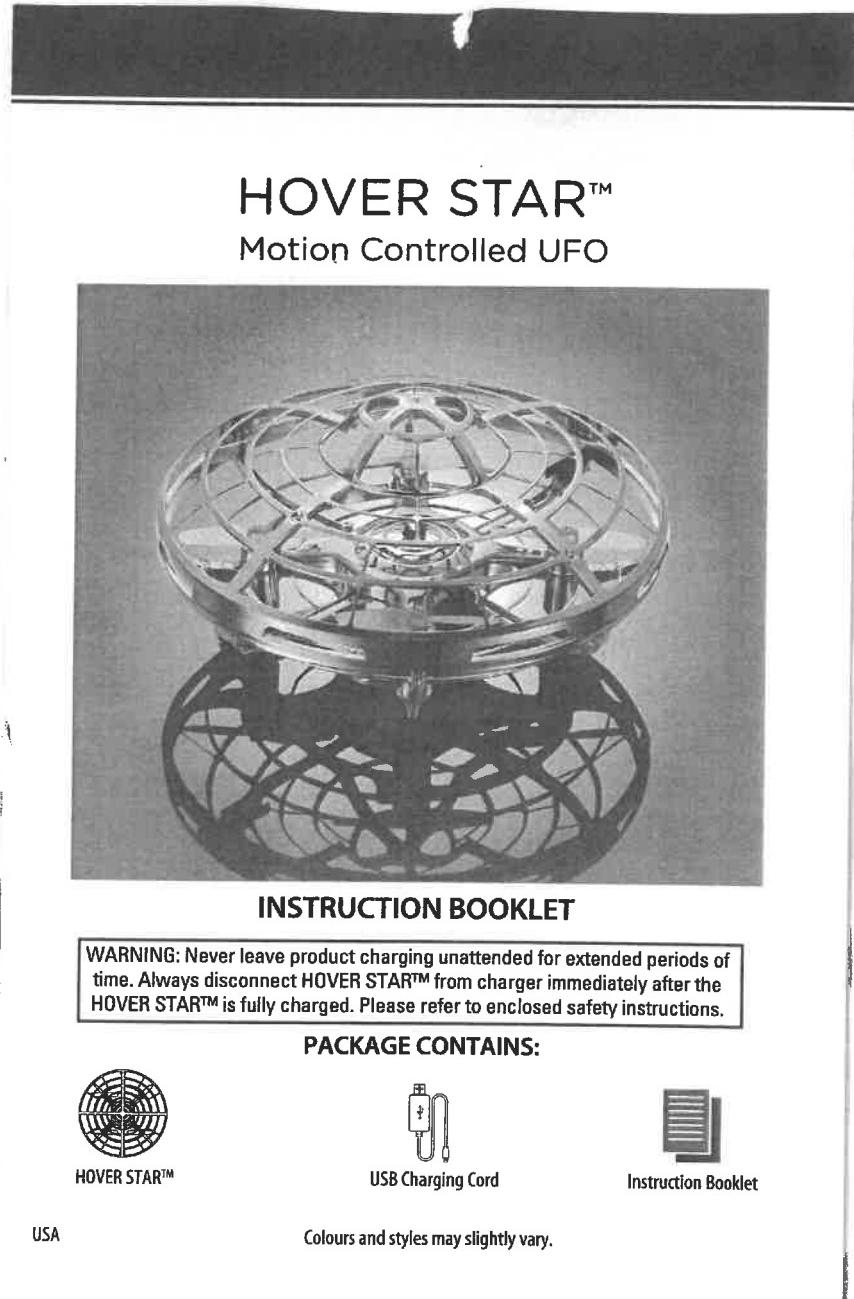












EXHIBIT

B

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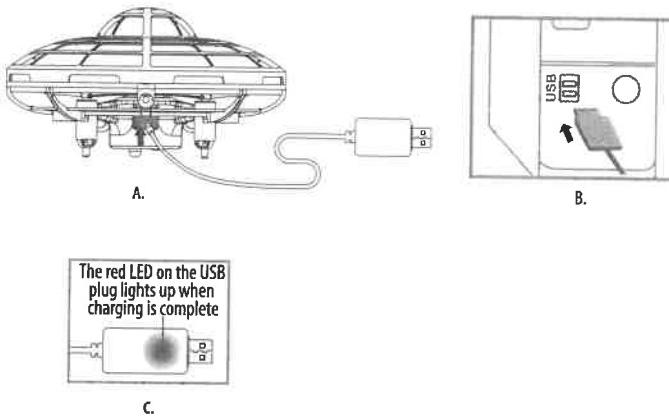
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FEATURES

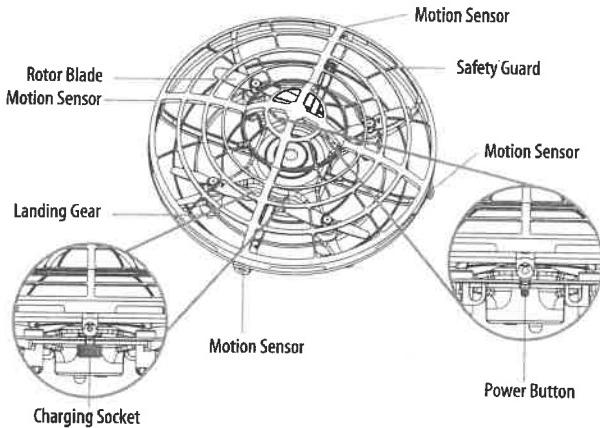
- Easy to Launch and Fun to Play
- Obstacle Avoidance technology
- Hand Motion Control
- Infinite Spinning and Hovering
- Crash Proof Design for Super Durability

CHARGING THE HOVER STAR™

1. Make sure the UFO's power switch is turned off and plug the USB charging cord into the charging socket of the HOVER STAR™(see diagram A).
2. Connect the HOVER STAR™ charging cord to your computer's USB port (see diagram B).
Caution: Only use this charging cord with a computer USB port! Do not attempt to use other USB charging devices.
3. The red LED on the USB plug lights up when charging is complete (See diagram C).
Note: If the red LED lights up, either the charging is complete or the USB plug is not properly connected.
4. The charging time may vary depending on the remaining percentage of battery after flying. The average charging time is approximately 30-35 minutes. The HOVER STAR™ operates for approximately 5-7 minutes per charge.
Low battery indication: the HOVER STAR™'s LED lights will begin to flash to notify you that the battery is running low. The lights will continue to flash for 45 seconds before the HOVER STAR™ automatically lands.



HOVER STAR™ DIAGRAM



THE HOVER STAR™ WILL WORK BOTH INDOORS OR OUTDOORS. WHEN USING THE HOVER STAR™ OUTDOORS TRY TO AVOID EXTREMELY BRIGHT OR DIRECT SUNLIGHT AS THIS MAY AFFECT THE INFRARED SENSORS. THE HOVER STAR™ WILL WORK PERFECTLY IN SHADED AREAS AT DUSK OR AT NIGHT. IT IS ALSO ADVISED TO USE THE HOVER STAR™ IN ZERO WIND OR VERY LIGHT WIND DAYS.

WARNING DO NOT FLY YOUR HOVER STAR™ IN FOUL WEATHER!



PREPARING FOR FLIGHT

- Verify that HOVER STAR™ has been fully charged.
- Make sure the empty space has no obstacles or rivers.

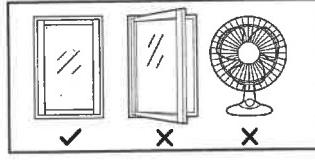
DO NOT ATTEMPT TO FLY YOUR HOVER STAR™ IF THERE IS RAIN, SNOW, HEAVY WINDS, THUNDER OR LIGHTNING OUTDOORS. IT COULD DAMAGE YOUR PRODUCT AND POSSIBLY EVEN CAUSE BODILY HARM.

LETS GET STARTED!

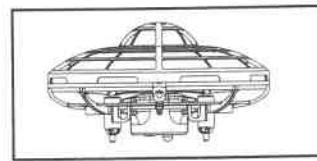
Follow these simple steps in EXACT ORDER and you will be successfully flying your HOVER STAR™ in no time at all!



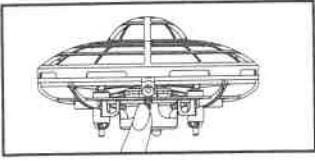
1. If you play the HOVER STAR™ indoor, first find a room in your house with high ceilings and a large open space where you have room to walk around. You may have to move some furniture.



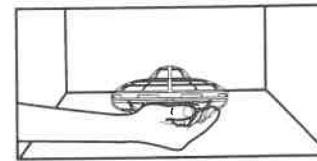
2. Make sure all sources of wind like ceiling fans, floor fans or opened windows are turned off and closed. Central Air conditioning should be okay but it is a good idea to stay away from strong drafty areas.



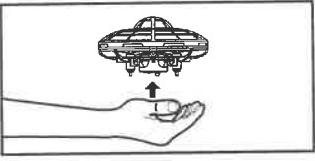
3. Make sure your HOVER STAR™ is fully charged.



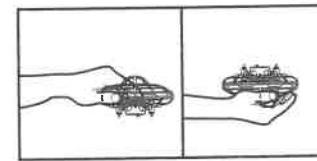
4. Short press the Power Button, the LED light in the HOVER STAR™ will turn on and stay in green.



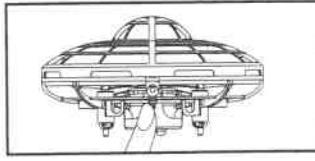
5. Hold the HOVER STAR™ in the mid-air and then quickly remove your hand. The HOVER STAR™ will automatically launch and start hovering.



6. After hovering a period of time, your HOVER STAR™ will automatically start descending. Place your hand at the bottom of the HOVER STAR™ and it will start ascending again.



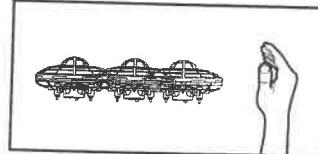
7. To stop, quickly capture the HOVER STAR™ with your hand and turn it over. The blades will stop spinning.



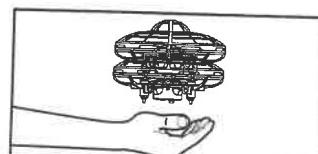
8. Long press the power button to turn it off.

HAND MOTION CONTROL

Your HOVER STAR™ is equipped with motion sensor which enable its ability for you and your friends to create lots of fun playing together.



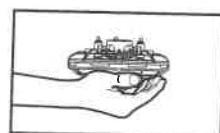
1. Place your hand at the side of the HOVER STAR™, it will automatically fly away.



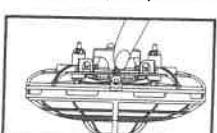
2. Place your hand at the bottom of the HOVER STAR™, it will automatically ascend.

CALIBRATION THE HOVER STAR™

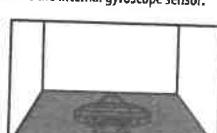
If your HOVER STAR™ start drifting towards one direction, you may need to calibrate the internal gyroscope sensor.



Turn on the HOVER STAR™ and hold it in your hand upside down.



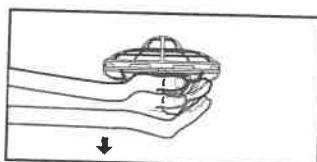
Double press the power button, the indicating light starts flashing.



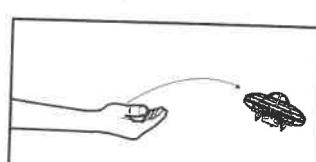
Set the HOVER STAR™ on a flat level surface and wait till the LED indicating lights turn solid. Now you have successfully recalibrate your HOVER STAR™.

HOW TO PLAY SAFELY!

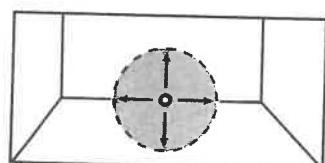
Safety is number one and should be taken seriously! Please carefully study the below DO's and DON'Ts so that you may always enjoy the safe operation of your HOVER STAR™.



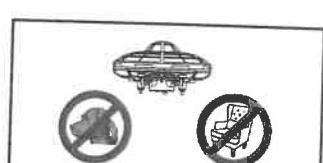
DO



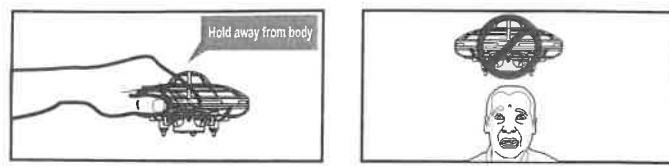
DON'T



DO



DON'T



DO

DON'T FLY OVER HEAD

IMPORTANT SAFETY INFORMATION: KEEP YOUR HOVER STAR™ AWAY FROM FACE AND EYES.

HOVER STAR™ WARNING:

The HOVER STAR™ is designed for INDOOR & OUTDOOR. The HOVER STAR™ can cause damage to the user, spectators and animals. Stand away from the HOVER STAR™ to reduce the risk of getting into the flight path. Warn spectators that you will be flying your HOVER STAR™ so that they are aware of its position. Before flight, inspect the rotor blades to make certain that the blades are securely fastened to the HOVER STAR™.

WARNING!

- Choking/Cutting Hazard. Small Parts/Sharp Rotor Blades.
- Keep hands, hair and loose clothing away from the propeller when the power switch is turned to the ON position.
- Turn off the transmitter and HOVER STAR™ power switches when not in use.
- The included charger is built specifically for the HOVER STAR™ Li-Poly battery. Do not use it to charge any other battery.
- Parental supervision recommended when flying HOVER STAR™.

BATTERY WARNINGS

This HOVER STAR™ uses an internal Li-Poly rechargeable battery and is not replaceable. If the battery can no longer be charged, dispose it properly according to local disposal requirements.

CAUTION: If the rechargeable battery leaks fluid, avoid contact with eyes and dispose the HOVER STAR™.

- Rechargeable batteries are to be removed from the item before being charged (if removable).
- Rechargeable batteries are only to be charged under adult supervision.
- Exhausted batteries should be removed immediately and must be recycled or disposed of properly according to state or local government ordinances and regulations.
- The supply terminals are not to be short-circuited.
- Do not dispose batteries in a fire! Batteries may leak or explode.

CARE AND MAINTENANCE

- To clean, gently wipe the remote control and HOVER STAR™ with a clean damp cloth.
- Keep the toy away from direct heat or sunlight.
- Do not submerge the toy into water. This can damage the unit beyond repair.
- Parental guidance recommended when installing or replacing the batteries.

Limited 90-Day Warranty

NORTH AMERICA

AMAX Group USA warrants to the original consumer that this product is free from any electrical or mechanical defects for a period of 90 DAYS from the date of purchase. If any such defect is discovered within the warranty period, AMAX Group USA will repair or replace the unit free of charge upon receipt of the unit, shipped postage prepaid and insured to our warranty center. The warranty covers normal consumer use and does not cover damage that occurs in shipment or failure that results from alterations, accident, misuse, abuse, neglect, wear and tear, inadequate maintenance, commercial use or unreasonable use of the unit. Removal of any parts/components voids all warranties. This warranty does not cover cost of repairs made or attempted outside by third-party individuals or companies. Any applicable implied warranties, including warranties of merchantability and fitness, are hereby limited to 90 DAYS from the date of purchase. Consequential or incidental damages resulting from a breach of any applicable express or implied warranties are hereby excluded. Some states do not allow limitations on the duration of implied warranties and do not allow exclusion of incidental or consequential damages, so the above limitations and exclusions in these instances may not apply.

REPAIR/REPLACE PRODUCT

If your product begins to malfunction or stop working, immediately email our warranty center at the email listed below. If it is determined that a return is necessary, our warranty department will issue you an RMA number/form and an address to the nearest return center for shipping the product to. **IMPORTANT NOTICE:** We will reject all returns that are not accompanied by an issued RMA form and number so make sure to contact our warranty center before attempting to return your product!

PREPARATION FOR SHIPPING YOUR PRODUCT

Please repack your product in a durable box, preferably in the original carton, and send it prepaid, and adequately insured. Include the RMA form that was issued by our warranty department along with your daytime telephone number and email address inside the shipping carton. If your warranty has expired, contact our warranty center for charged service. For further information please send all inquiries to: customercare@amaxbrands.com

IMPORTANT NOTICE!

**DO NOT ATTEMPT TO SHIP YOUR PRODUCT BACK
WITHOUT FIRST CONTACTING OUR WARRANTY
DEPARTMENT BY EMAIL AT:**

customercare@amaxbrands.com

FCC Part 15 B Notice

CAUTION: Changes or modifications not expressly approved by the party responsible for compliance could void the user's authority to operate the equipment.

NOTE: This equipment has been tested and found to comply with the limits for a Class B digital device, pursuant to Part 15 of the FCC Rules. These limits are designed to provide reasonable protection against harmful interference in a residential installation. This equipment generates, uses and can radiate radio frequency energy and, if not installed and used in accordance with the instructions, may cause harmful interference to radio communications. However, there is no guarantee that interference will not occur in a particular installation. If this equipment does cause harmful interference to radio or television reception, which can be determined by turning the equipment off and on, the user is encouraged to try to correct the interference by one or more of the following measures:

- Reorient or relocate the receiving antenna.
- Increase the separation between the equipment and receiver.
- Connect the equipment into an outlet on a circuit different from that to which the receiver is connected.
- Consult the dealer or experienced radio/TV technician for help.

This device complies with Part 15 of the FCC Rules. Operation is subject to the following two conditions :

- (1) This device may not cause harmful interference, and
- (2) this device must accept any interference received, including interference that may cause undesired operation.

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Conforms to safety requirements of ASTM, CPSIA and FCC.

This product is manufactured by Amax Group
12645 Memorial Drive Suite F1 #388 Houston, TX 77024
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Made in China
CT-2000 v2.0